

THE RE-ORIENTATION OF JAPAN'S FOREIGN POLICY

by

T. A. BISSON

with the aid of the Research Staff of the Foreign Policy Association

1 1 1

INTRODUCTION

THE re-orientation of Japanese foreign policy during the past decade is an arresting phenomenon in the history of modern international relations. In 1920 Japan stood convicted of an aggressive imperialism that threatened the territorial integrity of both China and Soviet Russia. By 1930 the ambition for further territorial expansion has apparently been renounced, and Japan's chief efforts are now directed towards the improvement of its industrial and commercial status. The external compulsion applied by the United States and England in the Washington Conference of 1921-1922 was the initial factor impelling Japan to take this new course. Powerful internal factors, however, were also at work that in themselves might eventually have led Japan to alter the earlier policy of its own accord. An acute economic depression, beginning in 1920, speedily dashed any false hopes of permanent prosperity engendered by the industrial boom that had enriched Japan during the World War. The disastrous earthquake of 1923 dealt a second staggering blow to the mushroom prosperity of Japan. Complete economic recovery is not in sight even yet, despite the courage and energy revealed by the Japanese in the reconstruction of Tokyo and Yokohama; and the fundamental factors underlying Japan's economic position no longer afford any encouragement for reckless imperialistic ventures. The recent political developments within Japan have also strengthened the hands of the liberal element against the military party, and thus aided the establishment of a moderate policy in the conduct of its foreign relations.

The years that intervened between the signature of the Versailles Treaty in 1919 and the close of the Washington Conference in 1922 marked the culmination of a thirty-year period of Japanese territorial expansion.

During these three years Japanese troops overran eastern Siberia and occupied northern Sakhalin; Japanese influence in South Manchuria and Eastern Inner Mongolia was considerably extended; and Japan's political and economic hold on Shantung¹ was consolidated to a far greater extent than that previously achieved by Germany. In this period the Anglo-Japanese Alliance was still in force, affording moral encouragement to the military party within Japan on its imperialistic course.² The Washington Conference, however, marked a definite turning-point in Japan's pursuit of aggressive policies on the Asiatic mainland. As a result of this conference, the Anglo-Japanese Alliance was dissolved, Japanese troops were withdrawn from China and Siberia, and the interests acquired by Japan in Shantung were relinquished to China. At the same time, the Soviet Union reasserted its control over Siberia and northern Sakhalin, and re-established its position in north Manchuria by regaining practical control over the Chinese Eastern Railway. Japan retained only the rights and interests acquired in Manchuria, which were considered vital to its national security. The silence of the Washington Conference in this regard, and the treaties exacted from China in 1915 as a sequel of the twenty-one demands, extending the Kwantung leasehold to 1997, have greatly strengthened the Japanese position in Manchuria.

The years since the Washington Conference have also witnessed gradual progress in the democratization of Japanese political machinery.³ The manhood suffrage act of 1925 increased the Japanese electorate from three to thirteen million; under the new sys-

1. Cf. R. L. Buell, *The Washington Conference*, New York, D. Appleton & Co., 1922, p. 19-25.

2. *Ibid.*, Chapter IV.

3. Cf. T. A. Bisson, "Democracy in Japan," *F. P. A. Information Service*, Vol. VI, No. 5, June 25, 1930.

tem, in the general elections of 1928 and 1930, there has been a steady drift toward a two-party grouping in the House of Representatives. At the recent general election, in February 1930, the Minseito party won a decisive majority of the representatives. The control of such a majority in the lower house enables the Cabinet to formulate a definite program and carry it into effect despite opposition from the bureaucratic House of Peers and Privy Council. The most striking indication of this change is the challenge to the military party recently offered by the present Minseito Cabinet in its negotiation of the London Naval Treaty. Civilian control of the Japanese government has now reached the stage where the military branches, aside from their legitimate concern over strategic and tactical problems, are rapidly losing their former influence upon the conduct of foreign relations.

JAPAN'S ECONOMIC PROBLEMS

The economic setbacks encountered by Japan in recent years have left it in an exceedingly vulnerable position. The economic surplus accumulated during the war, which transformed Japan from a debtor into a creditor country between 1914 and 1919, was rapidly dissipated in the slump that followed, and the present national indebtedness again amounts to nearly six billion *yen* (about three billion dollars).⁴

Japan's problem of economic support may be briefly summarized in the following terms. The entire Japanese empire, including Korea, Formosa and southern Sakhalin, has an area of 260,707 square miles, which is a little less than the area of Texas. A rapidly growing population, now totalling over sixty millions, is confined to Japan proper, with an area of only 147,657 square miles. About 15.5 per cent of this area is now being intensively tilled, and this percentage can be increased only with the greatest difficulty. Japan already finds it necessary to import considerable supplies of food, and the population is increasing more rapidly than the amount of food grown at home. Under these circumstances, Japan has been forced to

turn to industrialism as a means of supplying itself from abroad with the necessities lacking at home. But here, too, the way is fraught with difficulties. Within Japan proper the supplies of coal, iron and oil, the essential raw materials of modern industry, are exceedingly inadequate. In foreign trade, silk is Japan's chief credit item; but the raw cotton and wool for its large textile industry must be imported. Nevertheless, the solution of the problem of its economic support must be found in manufacture and trade; and an analysis of Japan's commerce and industry will reveal the basic economic factors influencing the conduct of its foreign relations.

The most striking feature of Japan's international trade during the past decade has been a steadily adverse balance,⁵ which has been only partially checked by a generally favorable balance of invisible items. Nevertheless, the volume of trade has gradually increased, and since 1924 the total foreign trade of Japan has each year amounted to more than four billion *yen*. This large volume of trade has been built upon an increasing measure of industrialization achieved in the face of the country's natural handicaps. From 1914 to 1927 the number of manufacturing companies within Japan increased nearly six-fold.⁶ The value of manufactured products (excluding government industries and factories employing less than five workers) increased from somewhat over one billion *yen* in 1914 to nearly seven billion *yen* in 1926.⁷ The result of this extension of manufacturing activity is reflected in Japan's trade. In its import trade, food and raw materials have increased, and finished articles have decreased; while the reverse is true of its export trade. Japan is thus being gradually transformed from an agricultural into a commercial and manufacturing country. Natural handicaps make the process a slow one, and will probably render a complete change to an industrial basis impossible in the long run. In this situation, Japan must strive always to increase its export trade, meanwhile striking the balance

4. Compared with a total national debt of about four and a half billion dollars for Italy, a country approximately equal to Japan in size and resources.

5. Cf. *Economic Statistics of Japan* (The Bank of Japan), 1928, p. 112-13.

6. Cf. *International Labour Review*, June 1930, p. 785.

7. *Ibid.*

as best it may between agriculture and industry.

Nearly 30 per cent of Japan's exports go to China, chiefly in the form of textiles. Indispensable raw materials are supplied to Japan by China, especially Manchuria. Japanese investments in China total well over three billion *yen*, about half of which are in Manchuria. The establishment of friendly relations with China (and peaceful conditions within China) has therefore become an economic necessity for Japan. This is but one example of a similar general situation that prevails with regard to Japan's foreign relations as a whole. Over 40 per cent of Japan's exports, chiefly raw silk, go to the United States. India supplies raw cotton to Japan, and absorbs some of its textiles. Wool is imported from Australia. Trade with Russia is steadily growing. Important supplies of minerals and machinery are obtained from both Europe and the United States. The overwhelming bulk of Japan's overseas trade now takes place in an open international market, and to an ever-increasing degree Japan requires international peace and stability to maintain the delicate trade balance on which its economic welfare depends.

THE NEW TRADE POLICY

It is evident that a new situation has developed, which calls for the strengthening of Japan's economic position in the open field of international competition. The extension of Japanese industry, the opening-up of new markets, and the assurance of peace in which these markets can be developed have therefore become the new aims of Japanese foreign policy. The pretensions of the military party that Japan's economic necessities were best met by the acquisition of new territory, whence raw materials could be drawn, where Japanese trade could be favored to the exclusion of foreign competition, and to which the surplus Japanese population could emigrate have not been borne out by the facts. After twenty-five years of occupation, there are only 460,000 Japanese in Korea and 220,000 in South Manchuria, including a considerable number of government officials and railway employees. Very few prominent

Japanese now look to emigration as a solution of their country's difficulties. It is true that a considerable amount of necessary raw materials are drawn from Manchuria by Japan, but even here trade in the produce of the rapidly growing Chinese population of the Manchurian hinterland becomes yearly of greater relative value. As a result, during the past half-dozen years, almost without exception, Japan has adhered to a policy of peaceful development of its legitimate economic interests. In his address to the Diet on January 18, 1927, Baron Shidehara stated this policy in the clearest terms:

"It is . . . of the utmost importance for us to concentrate our attention and energy on the promotion of foreign trade, without unjust infringement upon the interests of any nation. It is not territory, but markets, that we have in view. It is not alliances, but economic solidarity, that we seek in our foreign relations."⁸

The policy here enunciated was studiously pursued by Baron Shidehara from 1924 to 1927, while acting as Foreign Minister in a succession of cabinets. His emphasis on a conciliatory policy toward China was shifted by the Ministry led by General Baron Tanaka, a representative of the military party, during the period from 1927 to 1929. Baron Tanaka's attempt to institute a "positive" policy toward China, however, was not a success; and the Tanaka interregnum did not affect the fundamental re-orientation of Japanese policy that has actually occurred, but rather confirmed it. Baron Shidehara has been reinstalled in the Foreign Office, with a more impressive mandate and greater general support than ever.

The fruits of Baron Shidehara's policy are evident in practically every sphere of Japan's foreign relations. Russo-Japanese differences have been peacefully adjusted on a basis which permits certain economic privileges to Japan in North Sakhalin and Siberia. The recent Sino-Japanese tariff agreement points the way toward a solution of some of the basic treaty issues that have agitated China and Japan since 1926. The careful restraint exercised by the Japanese government over the discriminatory treatment in the American immigration act of 1924 has had its effect, and relations be-

⁸ Cf. Arnold J. Toynbee, *Survey of International Affairs*, 1926, London, Oxford University Press, p. 510.

tween the United States and Japan have been increasingly cordial. Japan has also shouldered the responsibilities arising from its membership in the League of Nations. The ratification of the Kellogg pact, and the

acceptance of the recent tripartite agreement for naval limitation at London, are but two examples of Japan's continued cooperation in all the great international gatherings of recent years.

RELATIONS WITH CHINA

The change that has come over the conduct of Japan's foreign relations in the past few years is most notable in the case of China.⁹ During the first two decades of this century Japan imitated the actions of the European powers in China by carving out its own exclusive spheres of influence and extending its special privileges, chiefly by means of force or the threat of force. Wars were fought with China (1894-1895) over Korea, with Russia (1904-1905) over Manchuria and Korea, and with Germany (1914-1918) over Shantung. The twenty-one demands were presented to China in 1915 as an ultimatum backed by the threat of force, and were in considerable part acceded to by China in the Sino-Japanese treaties and agreements of that year.¹⁰ From the time of the Washington Conference, however, the policy of aggression has given way to a policy of conciliation, associated especially with the name of Baron Shidehara.

THE SHIDEHARA POLICY

The underlying aims¹¹ of the Shidehara policy are the development of a close economic entente with China as a whole, and the firm protection of legitimate Japanese interests therein, particularly the special interests in Manchuria. It is characterized by the utmost use of conciliatory methods to achieve its ends. The use of force is not wholly precluded, but in practice is seldom resorted to. During the years of Baron

Shidehara's first term in the Foreign Office, from 1924 to 1927, there were but two examples of resort to force for the protection of Japanese interests in China. In December 1925, during the revolt of General Kuo Sung-ling against Chang Tso-lin, the former war-lord of Manchuria, a number of Japanese troops were moved to the vicinity of Mukden.¹² Again, on April 3, 1927, when the Japanese concession at Hankow was invaded by a Chinese mob, a landing-party of Japanese marines drove the mob out by force.¹³ On the other hand, the Japanese warships lying off Nanking on March 24, 1927 refrained from participating in the bombardment carried out by British and American ships for the protection of foreign lives, although the Japanese Consul was fired upon and several Japanese nationals wounded.¹⁴ The events at Nanking partially discredited the Shidehara policy of moderation in the mind of the Japanese people, and this change of public sentiment paved the way for the later inauguration of a "positive" policy by Baron Tanaka. The provocative nature of the Hankow and Nanking incidents, however, was recognized by the Nanking government in the subsequent negotiations concerning them, and full satisfaction was rendered to Japan.¹⁵

Baron Shidehara's cautious policy scored most heavily by its success in keeping Japan outside the orbit of the anti-foreign movements stimulated by the growing spirit of nationalism in China during these critical years.¹⁶ Although labor difficulties in certain

9. Cf. George H. Blakeslee, *The Pacific Area*, World Peace Foundation, 1929, p. 73-75.

10. Cf. John V. A. MacMurray, *Treaties and Agreements with and concerning China*, New York, Oxford University Press, 1921, Vol. II, p. 1216-36.

11. Summarized in Baron Shidehara's address to the Diet on January 18, 1927 in these terms: "1. To respect the sovereignty and territorial integrity of China, and scrupulously to avoid all interference in her domestic strife. 2. To promote solidarity and economic *rapprochement* between the two nations. 3. To entertain sympathetically and helpfully the just aspirations of the Chinese people, and to cooperate in the efforts for the realization of such aspirations. 4. To maintain an attitude of patience and toleration in the present situation of China, and, at the same time, to protect Japan's legitimate and essential rights and interests by all reasonable means at the disposal of the Government." (Cf. Toynbee, cited, 1926, p. 508.)

12. These troops were unostentatiously shifted from Korea and Dairen, and, though accused of materially assisting Chang Tso-lin in putting down the rebellion, were withdrawn as soon as the crisis had passed.

13. Cf. Toynbee, cited, 1927, p. 398-99.

14. *Ibid.*, p. 382-94.

15. These incidents were not finally settled until May 2, 1929. On that date an exchange of notes was effected in which the Nanking government expressed regret and accepted responsibility for the incidents, declared that the guilty persons had been dealt with, and proposed a joint commission to determine the amount of compensation to be awarded. (Cf. *The Week in China*, June 8, 1929, p. 459-60.)

16. Cf. "Recent Japanese Policy in China," F. P. A. *Information Service*, Vol. III, No. 16, October 12, 1927, p. 226.

Japanese mills at Shanghai lay at the root of the May 30 incident in 1925, it was the British police who fired upon the demonstrators, and the British who bore the brunt of the animosity engendered by the incident. Again, as a result of the Shameen affair of June 23, 1925, the Nationalists at Canton singled out the British in the rigid boycott and strike that ensued. British trade with China through Hongkong was profoundly affected from 1925 to 1927, and Japanese trade reaped the benefit.¹⁷ The same story was repeated in the Yangtze valley. While Great Britain was forced to relinquish both its Hankow and Kiukiang concessions, the status of the Japanese concession at Hankow remained unchanged. The anti-British virulence of Eugene Chen and the Russian advisers to the Nationalists was no doubt largely responsible for these successive British reverses. Nevertheless, the Shidehara method of conciliation played a significant part in preserving Japan's neutrality during this crisis in Sino-foreign relations. When Baron Shidehara laid down the reins of the Foreign Office in mid-April of 1927, Japanese interests in China were intact, Japanese trade with China was flourishing, and no specially hostile Chinese feeling toward Japan was in evidence. The full measure of this achievement was not realized until Baron Tanaka set about reversing Baron Shidehara's conciliatory methods.

THE TANAKA POLICY

Baron Tanaka headed the Japanese government for two years, from April 1927 to July 1929, holding the offices of both Premier and Foreign Minister. The "positive" policy adopted by Baron Tanaka in dealing with China relied chiefly on the method of force to achieve its ends. The measures adopted by Baron Tanaka were for a time strongly supported by Japanese public sentiment, which felt that the inadequacy of a moderate policy for the protection of Japanese interests in China had been demonstrated by the Nanking incident.

In the spring of 1927, and again in 1928, the Nationalist forces under General Chiang

Kai-shek twice invaded Shantung in their advance upon Peking. On both occasions Baron Tanaka, for the avowed purpose of protecting Japanese life and property, dispatched a defense force to Shantung, which garrisoned the Tsingtao-Tsinan railway, and occupied the city of Tsinan, located 240 miles from the seacoast. In 1927 Chiang Kai-shek's troops were unable to capture Tsinan, and withdrew from Shantung during July. The Chinese commonly believed that Japanese soldiers in some numbers took part in the fighting against the Nationalists. The presence of Japanese troops in Shantung was undoubtedly one of the factors accounting for Chiang Kai-shek's failure in this campaign. Following the retreat of the Nationalist army, the Japanese force was withdrawn from Shantung in September.¹⁸

THE TSINAN INCIDENT

The outcome was very different in 1928. Both the Nationalist and the Japanese troops entered Tsinan on May 1. Early attempts to patch up a *modus vivendi* were apparently successful, but fighting broke out between the Chinese and Japanese troops on May 3, and continued at intervals until May 10. Certain areas of Tsinan were bombarded by the Japanese forces, heavy losses to life and property occurred, and numerous outrages were reported by both sides. In the course of the fighting, the Japanese commander declared and enforced a seven-mile-wide neutral zone on either side of the Tsingtao-Tsinan railway, from which all Chinese troops were excluded. In the process, about 20,000 Nationalist troops were reported to have been disarmed. Chiang Kai-shek again withdrew his army southward; Peking, however, was captured by his Nationalist allies, Yen Hsi-shan and Feng Yü-hsiang, on June 8, 1928. Meanwhile, the Japanese defense force had occupied the Tientsin-Pukow railway on both sides of Tsinan, suspended traffic along this vital commercial and strategic line of communications, and impounded fifty locomotives and four hundred pieces of rolling stock belonging to the railway.¹⁹ The

17. Cf. T. A. Bisson, "Reconstruction in China," F. P. A. Information Service, Vol. V, No. 23, January 22, 1930, p. 443, for figures showing the distribution of China's trade during these years.

18. Cf. "Recent Japanese Policy in China," cited, p. 228-229, for further details.

19. Cf. Toynbee, cited, 1928, p. 411. The Japanese authorities claim that this rolling stock was mostly useless for transportation.

Japanese continued to enforce these measures for nearly a year, while negotiations for a settlement of the affair dragged slowly along. With a Japanese corridor through the heart of Shantung, the pacification of the province by the Nationalist régime at Nanking proved impossible.

In April and May 1928, both the Peking and Nanking governments repeatedly protested to Japan against the Shantung intervention as a violation of China's sovereign rights; the Japanese government replied that the measures taken were dictated by the necessity of protecting Japanese life and property.²⁰ On May 10 the Nanking government appealed to the League of Nations. Invoking Article XI of the Covenant, it asked that an immediate meeting of the Council be called in order to request Japan to withdraw its troops from Shantung and to send out a commission of investigation to fix responsibility for the incident.²¹ The Nanking petition was sent to the members of the Council, but since Peking was as yet the only government of China recognized by the League, the Nanking document was not circulated to Member States and did not appear in the official journal of the League's proceedings.²² Although the League failed to act on Nanking's request at the time, the Nationalists shortly thereafter occupied Peking, and within a few months the Nanking government was recognized by the foreign powers and the League.

The Chinese now turned to the method of economic reprisal that had proved so effective against the British. An anti-Japanese boycott gathered headway during the summer of 1928, and in the succeeding fall and winter Japanese exports suffered heavily. As the full results of Tanaka's policy became manifest, the strong public support first accorded it in Japan began to fall away. The protests of Japanese merchant groups against continuance of the intervention were

seconded by the upholders of a conciliatory policy toward China. Baron Shidehara, of the opposition Minseito party in the Diet, criticized the Shantung intervention as an antiquated measure ill-adapted to secure the ends it professed to hold in view. He pointed out that several hundred Japanese lives had been lost and large property damage had resulted from an expedition which held the protection of Japanese life and property as its goal, and had itself cost sixty or seventy million *yen*.²³ Largely as a result of the pressure exerted by these converging forces, an agreement²⁴ settling the Tsinan incident was ultimately signed on March 28, 1929. It contained a mutual expression of regret for the incident, and provided that the Japanese troops would be withdrawn within a period of two months from the date of signature. A Sino-Japanese joint commission was to be established to adjudicate the losses sustained by both countries, but the agreement did not specify which of the two nations was to pay for the losses. This settlement was widely criticized in Japan on the ground that it contained none of the terms on which the Japanese government had publicly stated it would insist.²⁵ In accordance with the above agreement, Japan was ready to withdraw its troops in April. At the request of the Nanking government, however, which feared that the province would be occupied by the forces of Feng Yü-hsiang, Japan postponed the evacuation until May 20, 1929, when the last Japanese troops were withdrawn. The boycott of Japanese goods lasted through the summer months of 1929, despite Nanking's attempts to end it.

The Tanaka policy also involved Japan in a serious dispute with the Nationalists concerning Manchuria, which must now be considered in some detail.

SINO-JAPANESE CONFLICT IN MANCHURIA

The conflicting Sino-Japanese interests in Manchuria form one of the most difficult problems of the Far East.²⁶ The necessity

20. Cf. *The Week in China*, April 28, 1928, p. 15-19; May 5, 1928, p. 10-12; May 12, 1928, p. 8-9.

21. *Ibid.*, May 12, 1928, p. 28-29. The appeal aroused much comment in the European press; the League's failure to act was criticized as an admission of its weakness where the interests of a major power were involved.

22. Cf. Blakeslee, cited, p. 77 and note. The Japanese statement to the League on the Tsinan incident, contained in a letter dated May 27, 1928, was circulated to Member States and published in the official record. (Cf. League of Nations, *Official Journal*, Vol. IX, p. 792.)

23. Cf. *The Week in China*, November 10, 1928, p. 14-25.

24. Cf. *The Chinese Social and Political Science Review*, Public Documents Supplement, April 1929, p. 53.

25. Such as formal apology by China, and compensation to Japan, as in the case of the Hankow and Nanking incidents.

26. Cf. Blakeslee, cited, p. 102-119; also "Recent Japanese Policy in China," cited.

of conserving what are considered vital economic interests in Manchuria is always uppermost in Japan's foreign policy. These interests include the Liaotung Peninsula leasehold, with the great port of Dairen; the South Manchuria Railway concession, with its branch lines since added in the interior; and the mines, factories, hotels, and other enterprises carried on in the railway zone. The total Japanese investment in Manchuria now exceeds two billion *yen*. In addition, the larger portion of the Manchurian trade passes through Dairen, and is controlled by Japan. These economic interests of Japan in Manchuria are buttressed by sentiment, for the Japanese still recall with great feeling the heavy sacrifices of men and money made during the Russo-Japanese War of 1904-1905. There is also a latent fear in Japan of the possible recrudescence of Russian influence in this region.

The sovereignty of China over Manchuria is not in dispute. It is recognized by Japan, and is fortified by an ever-increasing tide of Chinese immigrants. Of Manchuria's thirty million inhabitants, only 220,000 are Japanese. The disputed issues arise out of China's determination to prevent further expansion of Japanese interests in Manchuria and to regain concessions already granted. Japan, on the other hand, is bent on maintaining its vested interests, while anxious to cooperate with the Chinese in the further economic development of the whole region. Japan's position in South Manchuria ultimately rests on the validity of the treaties of 1915, which were exacted from China as a sequel of the twenty-one demands. Those treaties extended Japan's Liaotung Peninsula leasehold to 1997, and the South Manchuria Railway concession to 2002. China contests the validity of these treaty extensions on the ground that they were conceded under threat of force in time of peace, without any *quid pro quo*, and were not ratified by Parliament according to the Chinese Constitution. Additional difficulties arise from the tangle of conflicting railway claims in Manchuria, which cannot be treated in detail for lack of space. In brief, however, Japan has succeeded by means of Chinese cooperation in constructing and partially controlling several branch railways, which tap rich regions in

central and northern Manchuria, and act as feeders of the South Manchuria line. The Chinese are no longer willing to continue such cooperation, and in the last few years have constructed several independent lines of their own. This action is strenuously opposed by Japan as contrary to China's treaty obligations. There are several additional issues of a less important nature. The Japanese claim the right to lease land in South Manchuria as granted in the 1915 agreements, but the Chinese authorities refuse the necessary permits. China also objects to the presence of armed Japanese railway guards in Manchuria, insisting that China is itself capable of affording the full protection which certain treaty provisions specify. Japan is unwilling to relinquish the use of railway guards until it becomes certain that full security of life and property will be maintained.

Baron Tanaka's controversy with the Nationalists was precipitated by still another Sino-Japanese issue, the alleged right of Japan to maintain peace and order throughout Manchuria. Japanese statesmen are themselves not agreed on this right; and both Baron Shidehara and Mr. Hanihara, former Ambassador to the United States, have denied its validity. Mr. Hanihara, for example, wrote that the idea that Japan is responsible for the peace of Manchuria "is certainly absurd. Japan has only the right to safeguard her rights and interests; the preservation of peace and order all over Manchuria is outside Japan's responsibility."²⁷

On May 18, 1928, shortly after the Tsinan incident, when the capture of Peking by the Nationalists was imminent, the Japanese government sent to the leading Peking and Nanking generals a memorandum bearing directly on this issue. It declared that, if the disturbances should spread, the Japanese government might "be constrained to take appropriate and effective steps for the maintenance of peace and order in Manchuria."²⁸ This memorandum was backed by a statement to representatives of the chief powers in Tokyo and to the Chinese generals which

27. Cf. Blakeslee, cited, p. 118-119.

28. Cf. *The Week in China*, May 19, 1928, p. 10.

announced that the Japanese government would prevent either Southern or Northern troops from entering Manchuria, "as such action is necessary for the protection of the special position of the Imperial Government in Manchuria and Mongolia."²⁹ Under these circumstances, Marshal Chang Tso-lin's forces withdrew from Peking into Manchuria, June 1-3, without risking a battle. On June 4, as he approached Mukden, his train was blown up while passing under the bridge where the South Manchuria Railway crossed the Chinese line, and Chang Tso-lin at once succumbed to the wounds thus inflicted.³⁰ His son and successor, Chang Hsüeh-liang, was the leader of the Manchurian "Young Guard," which favored a *rapprochement* with the Nationalists.

Chang Hsüeh-liang at once undertook to come to terms with the Nationalists. On July 19, however, the Japanese Consul-General at Mukden advised him to delay such action for the time being; and the advice was later seconded by a special Japanese envoy, Baron Hayashi.³¹ This "advice" was widely commented on, and Baron Tanaka himself finally stated that although in accord with the views of the Japanese government it was an expression of personal opinion and not an official communication.³² Chang Hsüeh-liang ultimately worked out an agreement with the Nationalists whereby he retained control over local affairs, while recognizing the nominal authority of the Nanking government. At the end of December 1928, Chang Hsüeh-liang accepted appointment as one of the State Councillors at Nanking, and raised the Nationalist flag throughout his Manchurian territories.

29. *Ibid.*, p. 11.

30. Cf. Toynbee, cited, 1928, p. 377-83. This event further embittered Sino-Japanese relations since the Chinese widely believed that high personages in Japanese military circles were responsible for the tragedy. Baron Tanaka's contradictory actions on this issue led to the Emperor's intervention, causing the fall of his government on July 2, 1929.

31. Cf. Blakeslee, cited, p. 118.

32. Foreign statesmen were remarking on the Sino-Japanese situation. On July 13, 1928, Sir Austen Chamberlain stated to the Commons: "His Majesty's Government regard Manchuria as being part of China; they do not recognize Japan as having any special interests in that territory other than those conferred by Treaty and those referred to in Baron Shidehara's statement at the Plenary Session of the Washington Conference on 4th February, 1922." (Toynbee, cited, 1928, p. 382.)

Secretary Kellogg announced to the press on May 31: "As far as the United States is concerned Manchuria is essentially Chinese soil." (Blakeslee, cited, p. 119.) On July 24, 1928, a Sino-American tariff treaty was signed, which carried with it *de facto* recognition of the Nanking government by the United States. (Cf. *The Week in China*, July 28, 1928, p. 6-7.)

PROGRESS IN TREATY REVISION

There is no prospect of any immediate reconsideration of the basic Sino-Japanese treaty relations in Manchuria, which are to all intents and purposes a closed subject. In common with the other great powers, however, Japan's special treaty rights with regard to China as a whole have been called in question and have undergone partial revision. These special Japanese privileges—the right to enjoy a limited Chinese tariff, the right of extraterritoriality, the right of inland navigation, and others—are contained in a treaty and protocol (1896) and a supplementary treaty (1903).³³ The treaty of 1896 provided (Article 26) that either party might demand a revision of its tariff and commercial articles at the end of successive decennial periods. At the end of one of these periods, on October 20, 1926, the Peking government requested a fundamental revision of the two treaties and the protocol, based on the principles of equality and reciprocity. Four years of protracted negotiations have followed the presentation of this note to Japan. Only recently the first step toward treaty revision was taken with the successful conclusion of a Sino-Japanese tariff agreement. These negotiations have passed through three distinct stages—a preparatory period in which Baron Shidehara was dealing with the Peking government, a critical period when Baron Tanaka crossed swords with the Nanking government, and the recent period since Baron Shidehara has resumed control of the Foreign Office.

On November 10, 1926 Baron Shidehara replied to the Peking government's note in conciliatory terms. The Japanese government pointed out that Article 26 referred only to a revision of the tariff and commercial articles; but at the same time it disclaimed any desire to limit the scope of the negotiations and declared itself willing, without prejudice to its legal position, to consider the wishes of the Chinese government sympathetically.³⁴ Formal negotiations for the revision of the treaty were opened at Peking on January 21, 1927. Successive ex-

33. Cf. MacMurray, cited, Vol. I., p. 68-74; 91-92; 411-422.

34. Cf. Toynbee, cited, 1926, p. 276.

tensions of the negotiating period, which was limited by treaty to six months, led to no result. Japan was reported to be seeking an agreement which would provide low customs duties on Japanese merchandise, especially cotton piece goods, but China objected to establishing a precedent which would encourage the other powers to make similar demands.

The negotiations entered upon a critical stage in July 1928. The Nanking government had just established itself as the recognized authority in China, and Sino-Japanese relations were strained to the breaking-point over the Tsinan incident and the Manchurian situation. On July 19, 1928 the Nanking government handed a note to the Japanese Consul announcing the expiration of the Sino-Japanese treaty of 1896 as of July 20, and stating that the *ad interim* regulations³⁵ of July 8, 1928 would apply to Japanese subjects in China pending the conclusion of a new treaty. The Japanese reply, dated July 31, contested the validity of the Nanking government's assertion that the treaty had expired, and denounced the attempt to place Japanese subjects in China under the unilateral interim regulations as "an outrageous act" in which it was "absolutely unable to acquiesce." Should these regulations be withdrawn, Japan would continue to negotiate for a revision of the treaty; but should Nanking attempt to enforce them, the Japanese government would "be obliged to take such measures as they deem suitable for safeguarding their rights and interests assured by the treaties."³⁶ Nanking's counter-reply, made public August 28, requested a prompt renewal of the parleys for treaty revision, but neither withdrew the interim regulations nor renounced its contention that the treaty had expired.³⁷ In actual practice, however, the Nanking government did not attempt to apply the interim regulations to Japanese subjects in China.

Nearly a year passed, during which the Sino-Japanese deadlock over the Tsinan incident prevented further attempts at treaty revision between the two countries. A par-

tial accord was reached on January 30, 1929, when a Sino-Japanese agreement was signed permitting China to put into effect its new tariff schedule, which had already been accepted by the other treaty powers. Finally, on March 28, 1929, the agreement settling the Tsinan incident was signed, and the way was open for a resumption of negotiations on the treaty question. In a renewed exchange of notes, on April 26 and 27, 1929, Japan reiterated its demand that negotiations for a new treaty must be based upon recognition by China that the old treaty was still in force, while China expressed a desire for immediate negotiations without further discussion of the validity of the old treaty.³⁸

Thus the matter rested until Baron Shidehara again resumed control of the Japanese Foreign Office in July 1929. Shortly thereafter, Mr. Sadao Saburi, a recognized friend of Chinese liberal aspirations, was appointed Japanese Minister to China, and initiated conversations with Dr. C. T. Wang, Chinese Foreign Minister, looking toward treaty revision. This promising start was cut short by the death of Mr. Saburi in November 1929. Further delay resulted when the Nanking government refused to accept Japan's appointment of Mr. Obata, who had been Legation Counsellor at Peking when the twenty-one demands were presented, to succeed Mr. Saburi as Minister to China. For a time an *impasse* seemed to have been reached, and then Mr. Shigemitsu, Japanese Chargé d'Affaires at Shanghai, took up the negotiations with Dr. C. T. Wang. On March 12, 1930 they were so far successful as to conclude a Sino-Japanese tariff agreement, which was formally signed on May 6, and became effective on May 16.

This agreement³⁹ provides for Chinese tariff autonomy, and for mutual most-favored-nation treatment. A series of annexes, consisting of four exchange notes, is subjoined. The first of these provides for reciprocal conventional duties for certain classes of goods for a period of three years, and includes practically all the important articles of Japanese export to China. The second annex provides for the abolition of

35. Cf. *The Week in China*, July 14, 1928, p. 7-8, for text of these regulations.

36. *Ibid.*, August 11, 1928, p. 3-6.

37. *Ibid.*, September 1, 1928, p. 3-5.

38. *Ibid.*, May 4, 1929, p. 345-47.

39. Cf. *Chinese Economic Journal*, June 1930, p. 611-619, for text.

certain reduced customs rates on Sino-Japanese land frontiers at the expiration of four months, and the application of the Chinese statutory tariff rates in these districts thereafter. The third annex states that the Chinese government is endeavoring to abolish *likin*, transit dues, and other like charges as soon as possible, and has issued a mandate calling for their abolition as from October 10, 1930.^{39a} The fourth annex states that the Chinese government has commenced to set aside the annual sum of \$5,000,000 Mex. from the customs revenues for the consolidation of the domestic and foreign ob-

ligations of China, and that on or before October 1, 1930 it intends to call a conference of creditors to devise an adequate plan for such consolidation.

Article III of this agreement provides that it shall be incorporated in a Treaty of Commerce and Navigation to be concluded as soon as possible between China and Japan. The questions still unsettled include Japan's extraterritorial rights, the right of navigation on Chinese inland waters, and other minor rights, the rendition of all of which is being sought by China in the negotiation of the new treaty.

RELATIONS WITH SOVIET RUSSIA

The present cordial political and economic relations between Japan and the Soviet Union are in striking contrast to the stormy post-war period. The two chaotic years (1918-1920) of the Inter-Allied Intervention in Siberia were brought to a close by the evacuation of the American troops from Vladivostok during March 1920. Thereafter, the Japanese troops occupying Siberia were left face to face with the new Far Eastern Republic, constituted on April 6, 1920 with the support of the Soviet government at Moscow. The growing strength of the Soviet Union, combined with the diplomatic pressure exerted by the foreign powers, made the Japanese position in Siberia increasingly untenable. A truce to avert hostilities between Japan and the Far Eastern Republic was called as early as 1920, and the Japanese troops were withdrawn from inner Siberia during the period August 17-26 of that year. Under the guise of several White Russian puppet régimes, the Japanese occupation of the Maritime Province continued for two more years, until the final evacuation of the Japanese forces on October 25, 1922. The "White" government at once collapsed, its partisans fled the country, and the troops of the Far Eastern Republic took possession of Vladivostok. Thereupon, the government of the Far Eastern Republic voluntarily dissolved on November 14, 1922, and its territories were merged in the dominions of the Soviet Union. With the ex-

ception of North Sakhalin, which was still occupied by Japan, the Soviet Union had now completely regained the Far Eastern possessions of the former Russian Empire.

THE SOVIET-JAPANESE TREATY OF 1924

A number of fruitless efforts to settle the outstanding Russo-Japanese difficulties, and re-establish treaty relations, were made between 1922 and 1925. Certain specific issues stood in the way of such a general settlement, chief among which were the continued occupation of North Sakhalin by Japan, and the question of Japanese fishery rights in Soviet waters off the coast of Siberia. A further difficulty was Japan's dread of communism. On the other hand, Japan was anxious to obtain the economic benefits of normal trade relations, and the Soviet government was desirous of securing Japanese recognition. These latter reasons finally prevailed, and a Russo-Japanese treaty was signed at Peking on January 21, 1925.

This treaty⁴⁰ provided for mutual *de jure* recognition, and the exchange of diplomatic and consular representatives. Treaties concluded between Japan and Russia prior to 1917, except the Treaty of Portsmouth of 1905, were to be revised or annulled at a future conference. The debts due to Japan from the former Russian government were to be adjusted later, with the stipulation that Japan should enjoy as favorable terms as

39a. The Nanking government has recently announced the postponement of the date for the abolition of *likin* until January 1, 1931. (Cf. *New York Times*, October 4, 1930.)

40. Cf. *The Japan Year Book*, 1926, p. 123-130, for text.

any other country. A mutual pledge was exchanged which limited all persons in official capacity and all organizations in receipt of government financial assistance from engaging in propaganda likely to endanger the order or security of either country. These general provisions were seconded by a group of specific agreements dealing with territorial and economic issues. All Japanese troops were to be withdrawn from North Sakhalin by May 15, 1925, and the evacuated territories restored in full to the Soviet government. The fishery convention of 1907 was to be revised at subsequent negotiations. The Soviet government agreed to grant to Japanese subjects concessions for the exploitation of minerals, forests and other natural resources in all the territories of the Soviet Union. This agreement was implemented by detailed provisions regarding future concessions in North Sakhalin, and by temporary arrangements for the continued Japanese development of the coal and oil fields in that region. A commercial treaty was to be concluded on a most-favored-nation basis.

The transfer of North Sakhalin to the Soviet government was duly completed on May 15, 1925. Contracts for the promised concessions of oil and coal fields in North Sakhalin were signed by representatives of the Soviet government and of Japanese industrial concerns on December 14, 1925.⁴¹ In 1926 a timber concession covering 2,250,000 acres in the Maritime Province of eastern Siberia was granted to Japan.⁴² The revision of the fishery convention of 1907 was a matter of protracted negotiation. A new convention was finally signed at Moscow, January 23, 1928, and ratified at Tokyo the following May.⁴³ It reaffirmed the rights of Japanese firms to exploit the waters of the Soviet Far East, with the exception of thirty-seven gulfs and bays specially enumerated. This convention allots approximately 63.7 per cent of the fishing grounds on the seacoast to Japan.⁴⁴

41. Cf. Toynbee, cited, 1926, p. 503. The North Karafuto (Sakhalin) Oil Company was established in June 1926 with a capital of ¥10,000,000.

42. Cf. Blakeslee, cited, p. 121. In 1926 ten Japanese companies organized the Forestry Association in Russian Territory, which established a company in August 1927 with a capital of ¥5,000,000.

43. Cf. League of Nations, *Treaty Series*, Vol. LXXX, p. 341-399.

44. Cf. *Economic Review of the Soviet Union*, July 1, 1930, p. 285.

The cordiality of Russo-Japanese relations has at times been strained by Communist scares in Japan. Certain Japanese circles greatly fear the spread of communism, which is proscribed by law and strictly suppressed by the police, who at times have been led to engage in widespread round-ups of alleged Communists. Nevertheless, the Japanese government's policy of continuing friendly relations with the Soviet Union and enjoying the benefits of economic cooperation has been soundly established, and is not likely to undergo change in the near future. The influential Japanese political leader, the late Count Goto, was a staunch advocate of this policy, and greatly assisted in maintaining it. Official pronouncements from both countries stress the growing cordiality and the developing trade relations between them.⁴⁵ Although Japan has not benefited as largely as was expected from its concessionaire enterprises, the amount of Japanese exports to Russia is steadily increasing.⁴⁶

JAPANESE TRADE WITH RUSSIA

Year	Exports (to Russia)	Imports (to Japan)
1926	¥5,304,718	¥24,677,599
1927	8,645,594	26,132,627
1928	11,761,733	23,867,831
1929	17,405,423	25,955,862

THE MANCHURIAN ISSUE

Russo-Japanese relations in Manchuria have passed through three distinct phases. The period of intense rivalry, which culminated in the war of 1904-1905, left Japan in possession of the Liaotung leasehold and the South Manchuria Railway concession, and Russia in control of the Chinese Eastern Railway. In the next phase, by a series of treaties extending over the period 1907-1916, the two powers resorted to a policy of close military alliance for the mutual support of their respective spheres of interest.⁴⁷ Since the war, however, Japan has adopted a policy of railroad expansion in central and northern Manchuria, which encroaches upon the region formerly recognized as the Rus-

45. Cf. reports by Litvinov, People's Commissar for Foreign Affairs, *Izvestia*, December 11, 1928; December 5, 1929; also Baron Shidehara, *The Trans-Pacific*, January 30, 1930, p. 11-12.

46. Figures supplied by Commercial Secretary, Japanese Embassy, New York City.

47. Cf. Blakeslee, cited, p. 100-101.

sian sphere.⁴⁸ In particular, the Ssuping-kai-Angangchi line is not only an economic competitor of the Chinese Eastern Railway, but a military threat as well by enabling Japan to cut the Chinese Eastern Railway at Tsitsihar in the event of war. The building of this line was protested by the Soviet government, but to no avail. It has several times been rumored that the Soviet government has within recent years proposed to Japan that their former spheres of interest in Manchuria be revived, but such rumors have met with denials in official quarters.⁴⁹

The Soviet railway interests in Manchuria have been placed in even greater jeopardy by Chinese attacks.⁵⁰ The zone containing the Chinese Eastern Railway, which had been under Russian administration, reverted to Chinese administration by virtue of the Sino-Soviet agreement of May 31, 1924. The administrative control over the Chinese Eastern Railway, however, remained in the hands of the Russian general manager. The control exerted by the Soviet railway staff has been steadily encroached upon by the Chinese authorities at Mukden, culminating in the forcible seizure of the railway and ousting of the Russians in July 1929. The Sino-Soviet struggle over the Chinese Eastern Railway has been observed with divided sympathies by Japan. However welcome the elimination of Russian rivalry in Manchuria might be, it would inevitably cause

the Chinese to redouble their efforts to oust Japan in turn from its favored position in South Manchuria. In consequence, the Japanese government maintained a studiously neutral attitude as between Russia and China in the recent dispute.⁵¹ The vigorous military defense of the Russian railway interests in Manchuria by the Soviet government during 1929 forestalled the Chinese attempt to oust them by force. The future status of the Chinese Eastern Railway is at present under consideration at the Sino-Soviet conference in Moscow. For the time being, at least, the Soviet Union is too much concerned over its program of domestic development to interfere with Japanese projects in Manchuria. The official Japanese viewpoint on Soviet-Japanese problems was expressed by Baron Shidehara in a recent address to the Diet:

"Friendly relations between this country and the Soviet Union have recently, in many respects, been gaining in strength. We are confident that, so long as neither of them attempts to interfere with the political and social order of the other, the two nations may live at peace and in good neighborly accord with each other. The speculation seems to be still lingering in some foreign quarters that Japan and the Soviet Union may some day come to blows on some Manchurian question, while another story has been circulated abroad to the effect that the two countries have entered into a secret understanding on their mutual policies towards China. All these reports are too absurd to call for any refutation."⁵²

RELATIONS WITH THE UNITED STATES

Japan and the United States are linked by the ties of an old and historic friendship, contracted during the trying period of Japan's emergence into the modern world. This traditional friendship has been strengthened by the solid ties of modern trade and finance. The United States is the largest purchaser of Japanese goods,⁵³ and a friendly competitor of Japan in the Chinese market, to which we supply different classes of merchandise. Shortly after the Japanese earthquake of 1923, which called forth a sub-

stantial expression of American sympathy, Japan borrowed from the United States sums totalling approximately half a billion dollars.

The relations between America and Japan from 1906 to 1921 were disturbed by a series of delicate problems, chiefly resulting from their conflicting policies in China and from the immigration question. Events since the Washington Conference have largely allayed this friction. The one significant issue still separating the two nations is the exclusion clause in the immigration act passed by the

48. Cf. Toynbee, cited, 1925, p. 353-356.

49. Cf. Blakeslee, cited, p. 101.

50. Cf. Toynbee, cited, 1926, p. 280-283.

51. Cf. p. 293-4 for Baron Shidehara's statement on Japanese policy in this dispute.

52. Cf. *The Trans-Pacific*, January 30, 1930, p. 11-12.

53. The United States in 1928 purchased 94 per cent of Japan's total export of raw silk, amounting to 550,000 bales valued at ¥733,000,000 (about \$350,000,000).

United States in 1924. The Japanese people regard this statutory exclusion as an act of discrimination amounting to a national humiliation, and refuse to accept it as a closed incident. Baron Shidehara and Baron Tanaka, in their annual reviews of Japan's foreign relations to the Imperial Diet since the passage of the exclusion act, have each year expressed the desire for its revision in studiously moderate terms.⁵⁴

Early in 1930 the immigration question was suddenly brought to the fore again. At a farewell dinner in Tokyo given on May 23 by the America-Japan Society to Ambassador and Mrs. Castle, the former Japanese

Ambassador to the United States, Mr. Masanao Hanihara, broke his six-year-long silence on the subject in an appeal to Ambassador Castle to use his influence to renew the traditional friendly relations between Japan and America.⁵⁵ Almost as an echo to this speech, Mr. Albert Johnson, chairman of the House Committee on Immigration in the United States Congress, intimated that he intended to move an amendment to the immigration law which would put Japan on a quota basis. His statement as reported was not entirely clear,⁵⁶ but implied that the question would be brought up for consideration in the next session of Congress.

RELATIONS WITH LATIN AMERICA

Following the passage of the United States immigration act in 1924, several Latin American governments, notably Mexico and Brazil, made tentative gestures of friendship toward Japan.⁵⁷ In his speech before the Diet on January 21, 1925, Baron Shidehara referred to this possible opening for Japanese energies in these words:

"We are in perfectly agreeable relations with Mexico, as well as with the South American states. We have no plan whatever of political significance in our intercourse with any of these countries; we feel, however, that fair opportunities are there offered for the economic enterprises of our countrymen, and it is our intention to encourage such legitimate activities as far as possible. I would add a few words with regard to this question. It is not our policy to send emigrants to any country in which they are not welcomed. Our constant desire is to supply capital or labour to undeveloped regions of the world and to promote the welfare and prosperity, not only of the emigrants themselves and of their mother country, but also of those countries in which they choose to establish their permanent homes. Towards this end we are prepared to extend our unremitting efforts."⁵⁸

In the spring of 1926, the Brazilian government responded to this authoritative indication of Japanese policy with the offer of a tract of land in the upper basin of the Amazon comprising some 12,500,000 acres.

This offer was investigated by a commission sent out in 1926 by the Kanegafuchi Spinning Company, interested in cotton-growing on a large scale. Negotiations were also opened with the Japanese Overseas Enterprise Company, under whose auspices Japanese immigrants had already been settled in the State of Sao Paulo. A Japanese company was formed in the same year to undertake cotton cultivation on a large scale in Peru. More recently, on December 21, 1929, an exchange of notes was effected between Japan and Cuba, looking toward the improvement of trade relations between these two countries.⁵⁹ A further agreement on April 11, 1930 granted mutual most-favored-nation treatment on immigration to Japanese and Cuban citizens.^{59a}

Japanese emigrants to South America are concentrated chiefly in Brazil and Peru. Even in these countries, their numbers are so few as to offer little assistance toward solving Japan's over-population problem.⁶⁰ Japanese trade with South American countries, though small, is on the increase, which would tend to confirm the Japanese contention that the development of economic enterprises within these countries, and the fostering of commercial relations with them, are the chief purposes of Japan's activities in South America.⁶¹

54. Cf. *The Trans-Pacific*, January 30, 1930, p. 11-12, for the latest statement by Baron Shidehara on this issue.

55. Cf. *ibid.*, May 29, 1930, p. 10-11.

56. Cf. *New York Times*, May 24, 1930. Mr. Johnson's proposal was explained as being limited to those Japanese eligible for naturalization under other provisions of the act. This would mean the admittance of whites or blacks born in Japan, but would continue the exclusion of those of Japanese blood, as they are not eligible for citizenship.

57. Cf. Toynbee, cited, 1924, p. 157.

58. *Ibid.*, 1926, p. 389-390.

59. Cf. *New York Times*, June 29, 1930.

59a. Cf. *Official Gazette of the Republic of Cuba*, Havana, April 15, 1930, for text.

60. According to statistics supplied by the Commercial Secretary of the Japanese Embassy, New York City, Japanese emigrants in South America as of October 1929 were as follows: Brazil, 103,166; Peru, 18,401; Argentina, 3,888; Chile, 713; Bolivia, 463; Colombia, 50; Uruguay 20; Venezuela, 11; Paraguay, 5; totalling 126,717.

INTERNATIONAL COOPERATION

The rapid development of Japan, especially in the political and economic spheres, has caused a steady enlargement in the scope of its international relations. The extent to which Japan had become a member of the world community was first brought home to the Japanese people during the war, when Japanese shipping and manufactures penetrated to every quarter of the globe, and Japanese statesmen were profoundly concerned over the fate of the European nations at conflict. To many observers the climax of this process seemed to have been reached at Versailles, where Japan's delegates occupied a foremost seat at the council table which sought to liquidate the war. Such an historical accident could not be expected to occur again. But the fact has proved otherwise. In the decade just past Japan's international commitments have each year grown more complex and far-reaching. The fear of European entanglements did not prevent Japan from joining the League of Nations. And in the efforts made during this decade toward naval disarmament and the outlawry of war Japan has had an equal share with the nations of the West.

THE LEAGUE OF NATIONS

Japan has been an active member of the League of Nations since its inception, with a permanent seat on the Council. The learned Japanese scholar, Dr. Inazo Nitobe, was from 1919 to 1926 Under-Secretary-General of the League Secretariat. Within Japan itself there is a vigorous League of Nations Association, with a membership now to-

talling over twelve thousand, which recently celebrated its tenth anniversary.⁶⁵ Japan's position at Geneva, so remote from its more vital concerns in the Far East, has often enabled it to perform valuable services in conciliating European differences. An address at the Kyoto Conference of the Institute of Pacific Relations phrased this contribution as follows:

"When the history of the League comes to be written, it will be found that two countries played a great part in its formation and work. One was Canada and the other Japan. In a sense it may be said that Canada in proportion to its resources has played the part which it had been hoped the United States would play. But in any case it is a fact that these two countries both far removed from European affairs have taken an outstanding part in the development of the League and have contributed greatly to the presentation of the idea that the League is far more than a European body."⁶⁶

Japan has taken full part in the activities of the League looking toward international peace, such as the discussions of the Geneva Protocol and the meetings of the Preparatory Commission for the Disarmament Conference. It is represented on the technical organizations and on the permanent advisory bodies of the League. Japan also participates in the work of the League's associated organizations, the Permanent Court of International Justice and the International Labor Office. The Japanese government has not yet signed the optional clause of the Statute of the Permanent Court for the acceptance of its compulsory jurisdiction, possibly out of fear that China might some day succeed in bringing the Manchurian treaties before that body; but equally with other signatories of the League Covenant it is bound by Article XI. Japan is a permanent member of the International Labor Office, and is represented on most of the technical committees. It has sent complete delegations to every session of the International Labor

61. The following statistics were supplied by the Commercial Secretary of the Japanese Embassy, New York City.

JAPANESE TRADE WITH SOUTH AMERICA

Exports from Japan			
	1928		1929
Argentina	¥6,970,519		¥8,579,989
Brazil	1,982,480		1,572,006
Chile	1,884,179		2,719,199
Peru	1,785,561		2,601,545
Uruguay	4,680,722		4,466,572
Other	3,826,779		3,086,234
Total	¥21,130,240		¥23,025,545
Imports into Japan			
	1928		1929
Argentina	¥4,673,511		¥3,235,889
Brazil	239,184		380,971
Chile	6,266,939		10,414,733
Peru	935,601		58,896
Uruguay	51,602		154,651
Other	32,206		18,036
Total	¥12,199,043		¥14,263,176

65. The tenth annual general meeting of the association, held at Tokyo, May 16, 1930, adopted resolutions expressing its satisfaction at the conclusion of the London Naval Treaty, proposing the adoption of a treaty of conciliation and arbitration between Japan and the United States, and urging that Japan as the only member of the League Council which has not accepted compulsory jurisdiction of the Permanent Court should take steps to sign the optional clause at the earliest opportunity. (Cf. *International Gleanings from Japan*, June 15, 1930.)

66. *Problems of the Pacific, 1929*, (J. B. Condliffe, ed.), Chicago, University of Chicago Press, p. 226.

Conference, and since 1921 has kept a permanent delegation in Geneva. Nine International Labor Conventions, including three for the protection of children, have so far been ratified by Japan; but it has not yet ratified the important conventions regulating hours of labor and prohibiting night work for women.⁶⁷

THE PACT OF PARIS

Japan was one of the fifteen original signatories of the Treaty for the Renunciation of War at Paris on August 27, 1928. At the time there seemed little doubt that the treaty would be speedily ratified by Japan. In the course of ratification, however, a constitutional technicality was raised over the interpretation of the phrase "in the names of their respective peoples," which resulted in a prolonged dispute between the Japanese Cabinet and the Privy Council. The latter body ultimately carried its point that this phrase was a derogation of the Emperor's sovereignty. As a result, Japan's ratification of the pact on June 27, 1929 was accompanied by a declaration which read:

"The Imperial Government declare that the phraseology 'in the names of their respective peoples,' appearing in Article I of the Treaty for the Renunciation of War, signed at Paris on August 27, 1928, viewed in the light of the provisions of the Imperial Constitution, is understood to be inapplicable in so far as Japan is concerned."⁶⁸

Several days previous to the Japanese government's formal adherence, Secretary Stimson had invoked the treaty as a means of settling the serious dispute that had developed between China and Russia over the Chinese Eastern Railway.⁶⁹ On July 19, 1929 he took steps to call to the attention of both China and Russia that, as signatories of the Pact of Paris, they were pledged to settle their disputes by pacific means. At the same time, the United States requested the Ambassadors of Great Britain, France, Japan and Italy to take similar action. The Japanese government, in view of its interests in South Manchuria, and of the fact that it

was in diplomatic relationship with both China and Russia, was throughout the Sino-Russian dispute in a delicate and difficult position. The action taken by Japan in this situation was explained by Baron Shidehara in his address to the Diet on January 21, 1930, as follows:

"On July 19 the Ambassador of the Soviet Union called at the Foreign Office to inform me of the severance of relations with China. Availing myself of that occasion, I orally invited the attention of his government to the provisions of the Treaty of Paris for the Renunciation of War and expressed a strong hope for the settlement of the controversy by all peaceful means. A similar expression was also conveyed to the Chinese Minister, whom I saw on the same day.

"Being persuaded that direct negotiations between the parties in dispute could alone lead to a satisfactory adjustment of the question, I made it a point, as far as I could properly do so, to bring about their mutual *rapprochement*. With that end in view, I constantly kept in touch with their respective representatives in Tokyo, and, on several occasions, I spoke my mind freely and informally both to the Soviet Ambassador and to the Chinese Minister, and asked them for information."⁷⁰

During November 1929 the situation between China and the Soviet Union became even more acute, resulting in actual clashes between considerable bodies of Chinese and Russian troops. Under these circumstances, Secretary Stimson announced on December 2 that he had addressed a statement to the two powers again reminding them of their obligations under the Paris Pact.⁷¹ The other signatories of the pact were requested to take similar action, which the majority did. The Stimson note was dispatched somewhat tardily, however, after the real crisis had passed; and Russia responded in caustic terms, characterizing it as an unwarranted interference in a dispute already in the process of settlement. In this situation, Japan hesitated to take action; and Baron Shidehara later stated its position as follows in his address to the Diet:

"It is perfectly natural that America, as the initiator of the Treaty, should feel called upon to take such an action, and we fully appreciated the motives by which it was prompted. We ourselves would be unable to remain a silent specta-

67. Cf. *Monthly Summary*, International Labor Organization, April 1929, p. 22-23.

68. Cf. *Documents on International Affairs, 1928* (John W. Wheeler-Bennett, ed.), London, Oxford University Press, p. 14.

69. Cf. K. L. Buell, "The United States and the League of Nations," *F. P. A. Information Service*, Vol. VI, No. 9, July 9, 1930, p. 179-180.

70. Cf. *The Trans-Pacific*, January 30, 1930, p. 11-12.

71. *Press Release*, U. S. State Department, December 2, 1929.

tor, if this treaty, on which the ink is scarcely yet dry, were in fact to be reduced to a dead letter. Having, however, been in close contact with the Governments of China and of the Soviet Union in this matter, we felt that at least the time was not yet ripe for a formal *démarche* of the nature proposed. Moreover, Japan maintains normal diplomatic relations with the Soviet Union as well as with China. Should we join in the action suggested we might find ourselves unavoidably drawn into a discussion with the Russian and the Chinese Governments, on the merits and demerits of the issues raised, and we might thus be eventually constrained to proceed to further action in regard to one or both of the two parties in dispute in order to make our *démarche* effective. It was due to these considerations that we did not feel ourselves at liberty to act at once upon the American suggestion."⁷²

DISARMAMENT CONFERENCES

At the Washington Conference, Japan entered into a number of agreements with the chief Western powers designed to maintain peace in the Pacific.⁷³ By the treaty for the limitation of naval armament, Great Britain and the United States agreed to limit the number of their capital ships to fifteen each, while Japan agreed to limit its capital ships to nine. The same treaty also provided that these three powers should neither strengthen their fortifications or naval bases, nor build new ones in the Pacific east of 110 degrees east longitude. Under the Four Power Pact, these powers and France agreed to respect each other's insular possessions in the Pacific, to refer any controversies arising therefrom to a conference of the four powers for adjustment, and to communicate fully with one another in order to arrive at an understanding regarding measures to be adopted should aggressive action by any one power threaten the existing status of their respective insular holdings. Furthermore, the Nine Power Treaty pledged the chief Pacific powers to respect the sovereignty, independence, and territorial and administrative integrity of China, and to communicate with each other whenever a situation should arise which in the opinion of any one of them involved the stipulations of the treaty. These various agreements have materially lessened the tension formerly existing in the Pacific area; and they are now implemented by the

Pact of Paris, which is effective for all the Pacific States. It has frequently been suggested that the treaty structure of the Pacific would be further improved by extending the Four Power Pact to include in its scope not merely the islands of the Pacific but also all countries of this region, especially China.

The Geneva Naval Conference of 1927 failed in its attempt to extend the principle of limitation to the auxiliary ships of Great Britain, Japan, and the United States. In the five years that had elapsed since the Washington Conference, however, a significant change had occurred in the position occupied by Japan. Mr. Arnold Toynbee has well expressed the new rôle assumed by Japan at Geneva, and the reasons underlying it:

"During the Washington Conference of 1921-2 Japan appears definitely to have abandoned as impracticable those dreams of sole supremacy in the Far East and the Pacific in which she had indulged on certain occasions since August 1914; her renunciation was signified in her acceptance of the 5-5-3 ratio for capital ships; and she did not allow herself to be deflected from her new course by her resentment at the exclusion clause in the United States Immigration (Restriction) Act of 1924. Indeed, during the next few years she studiously conducted her policy in the Pacific along lines which were calculated to keep the political tension low; and in 1927 the fruits of this policy became apparent in the contrast between her position at the Three-Power Naval Conference of that year and her position at the Washington Conference of 1921-2. Whereas, at Washington, Japan had been the focus of suspicions and conflicts which had required for their removal the joint efforts of Great Britain and the United States, at Geneva five years later the rôles were reversed; for this time it was the turn of Japan, as the most reasonable and the most detached of the three parties, to show her good-will and employ her good offices in attempting to bridge the differences which now appeared between the two English-speaking Powers. It may be added that, in pursuing this sober policy, Japan was considering her own national interests as well as serving the general cause of peace; for it became apparent, both before and during the Three-Power Conference, that the rôle of a Great Naval Power, even on the 5-5-3 ratio, was imposing upon Japan a financial burden which she would find it difficult to bear in perpetuity."⁷⁴

The London Naval Conference of 1930 succeeded, where the Geneva Conference had failed, in extending the principle of limitation to the auxiliary ships of Great Britain,

⁷² Cf. *The Trans-Pacific*, January 30, 1930, p. 11-12.

⁷³ Cf. Blakeslee, cited, p. 131-133.

⁷⁴ Cf. Toynbee, cited, 1927, p. 22-23.

Japan, and the United States. The significance of this achievement, in the case of Japan, lay not only in the indication it afforded of Japan's willingness to further limit its naval armaments. Even more important was the additional light shed on the struggle that has long been waged between the civilian and military branches of the Japanese government for the determination of its foreign policies. The bone of contention, in this instance, has been the Reed-Matsudaira compromise agreement on cruiser ratios, in the acceptance of which the members of the Naval General Staff claimed that the Cabinet had not duly consulted them.⁷⁵ Admiral Kato, Chief of the Naval Staff, memorialized the Emperor on the subject on April 2, and eventually resigned his position on June 11. The unyielding attitude of the opposing Admirals at length forced the Cabinet to consult the Supreme Military Council as to the adequacy of the treaty in regard to national defense. The report of this body was submitted at a formal meeting held July 23. It declared:

"The strength allotted to Japan by the London treaty is defective in so far as the national defense is concerned. The treaty being only for the short term of five years, we are not without measures to make up the defect, but only in an imperfect way."⁷⁶

Despite the adverse nature of this report, the Cabinet submitted the treaty to the Privy Council for ratification on July 31. For a time it seemed probable that even if

the action of the Council were favorable, it would be accompanied by a rider censuring the government, and thereby seriously endangering the latter's position. Late in September, however, unconditional ratification by the Privy Council became a certainty. The final report of that body to the Emperor, unreservedly recommending the acceptance of the treaty, was made on October 1, 1930, and the Emperor's seal was affixed to the document on October 2, completing Japanese ratification.

The forces upon which the Minseito Cabinet relied in its struggle to secure acceptance of the treaty are indicative of the present liberal trend in Japanese politics. The Cabinet was buttressed by its strong majority in the lower house of the Diet, and by the support of the press and the public, which were almost unanimously in favor of the treaty. The ranks of the opposition were split, both Admiral Takarabe and Admiral Taniguchi, among others, coming forward to support the government—a rare occurrence in Japan. In addition, the Cabinet was upheld by such men as Count Makino, Lord Keeper of the Privy Seal, and Prince Saionji, the last surviving Genro (Elder Statesman). Such factors make of this the most significant victory of the civilian forces in the Japanese government within recent years, and a striking indication that the influence upon the conduct of foreign relations formerly exerted by the military branches is rapidly becoming a thing of the past.

CONCLUSION

There is every indication that the policy of moderation which Japan has pursued in the conduct of its foreign relations with but slight exceptions for nearly a decade is solidly established. This policy has become strongly fixed in the government circles of Japan, and is more generally supported among Japanese statesmen than ever before. Japan's relations with foreign countries are

at present on a sound basis of amity and respect, with few vexing questions uppermost, and none of immediately critical import. The touchstone of Japanese foreign policy is China, where unsettled conditions are a constant threat to Japan's vital commercial interests. The contending Chinese armies in Shantung province have recently faced Baron Shidehara with the problem of protecting Japanese life and property which Baron Tanaka met in 1928 by the dispatch of a defense force to Tsinan. In this situation, the present Japanese government has adopted a policy of absolute neutrality and non-interference. It has sought guarantees of safety to Japanese residents from the Chinese gen-

75. The ultimate issue at stake was whether the advice of the civilian Cabinet or the military branches should prevail in assisting the Emperor in the exercise of his power of supreme command over the naval and military forces of the Empire. It is basically a constitutional issue, revolving about the interpretation of Articles 11 and 12 of the Imperial Constitution. These articles read: "Article 11. The Emperor has the supreme command of the Army and Navy. Article 12. The Emperor determines the organization and peace standing of the Army and Navy."

76. Cf. *New York Times*, July 23, 1930.

erals, and made arrangements for evacuating Japanese nationals from the Tsinan area in case of necessity. Under these conditions, Tsinan twice changed hands during the summer of 1930 without the slightest loss of life or destruction of property.

The re-orientation of Japanese foreign policy has been rooted in economic necessity, which is more pressing at the present moment than ever before. Japan, too, is feeling the effects of the world-wide economic depression. Unemployment in Japan is steadily mounting toward the one million mark. The biggest purchaser of Japanese goods is the United States, the next is China, and the third is India. These three together buy 70 per cent of all Japanese exports. The economic depression in the United States has greatly reduced its import of Japanese silk. Continuous civil warfare and the depreciation of silver have so reduced China's purchasing power that Japanese exports to China have greatly declined. And lately India has dealt a severe blow to Japan's textile industry by raising its tariffs on Japanese cotton piece goods, despite vigorous protests from Japan. In its search for markets, the question of tariffs is becoming increasingly important to Japan, which is, however, itself a high-tariff country. In his address to the Diet on January 21, 1930, Baron Shidehara mentioned this tariff problem, and outlined as follows the economic policy which he felt that Japan should pursue:

"I would add a few words regarding the general trend of economic relations among the nations. In the days immediately following the Great War, various countries sought to heal the economic wounds sustained by them through the war, by stimulating the growth of their domestic industries, on the one hand, and on the other, by rearing high their tariff walls so as to prevent the import of foreign goods. If all nations were to adopt such a policy, no foreign markets would be open to their products and there would soon ensue a general over-production and a universal economic depression. In the face of such deplorable conditions, which have actually manifested themselves, nations have effected tariff agreements, mutually reducing the rates on particular items of import. Treaties have also been concluded, or are in contemplation, under the auspices of the League of Nations, with the object of removing various impediments to international trade. In certain important industries, systems of cartel, both national and international, have also been devised in order to protect those industries from ruin.

"In view of such tendencies, Japan should pursue no policy of economic exclusivism, but should put forth her best efforts in the development of her trade with all nations on the basis of a reciprocal promotion of interests. Without the expansion of foreign trade, there is no possibility of her international balance sheet being improved, nor can we expect to succeed in solving the problem of population and subsistence. The question of how to develop our trade has thus become one of supreme importance. In so far as it belongs to the functions of diplomacy, it should be the primary duty of the Government to secure for its nationals free and equal opportunities in the international field of trade and investment and to accord them the necessary protection and assistance. It is partly in pursuance of this policy that we have been endeavoring to conclude commercial arrangements with countries with which we have hitherto had no treaty relations. . . ."

77. Cf. *The Trans-Pacific*, January 30, 1930, p. 11-12. In pursuance of the policy here expressed, a provisional commercial agreement was signed between Japan and Egypt on March

19, 1930. (Cf. Baron Shidehara's address to the Diet, April 25, 1930.)